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**ENGLISH EDITION:** Marcin Łukaszewski

## Economy

- Over 2.25 billion Polish farms will gain fast Internet. Currently, there is about 3.8 million households in Poland. Without it. MoD reports that the situation will improve thanks to the auction program for investments from EU funds.

- Compensation for increases in electricity prices for households will amount to approx. PLN 2 billion. They will cover all households. Compensation amounts for small and medium-sized companies are about to reach a similar size.

- The luxury goods market in Poland is worth nearly PLN 24 billion. This means an increase of 14% yoy. For the needs of the KPMG report, it was estimated that by 2023 the value of the market of these goods may exceed PLN 39 billion. The most popular segment in the category are premium and luxury cars.

- The Polish Society of Medical Law wants higher health contributions from parents who refuse vaccines for their children. According to the organization, the action is a conscious increase in the risk of infectious diseases. Lawyers believe that this idea does not violate the right to equal access to public health services.

- Over 2.4 million people with additional health insurance. It is an increase of 20 percent during the year. In the first three quarters, 586 million PLN was spent on them.

- In the next half year, 44 percent of employers intend to give the employee a raise. However, they will not be big increases, they will range from 2 to 5 percent. The largest percentage of employers announcing raises are companies related to business, industry, trade and construction.

- Orlen bought a million barrels of crude oil from Angola. Delivery to Gdańsk will take place in February 2019. In the implemented strategy of diversifying the direction of supply approx. 30 percent comes from a direction other than Russian.

## Financial institutions

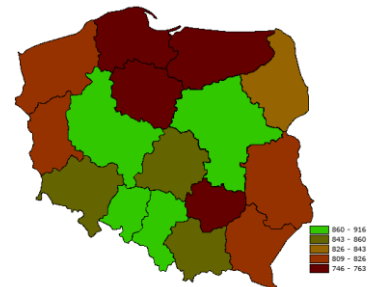
- PZU with a penalty for delays in compensation payments. The Polish Financial Supervision Authority imposed a fine of PLN 900 thousand on PZU due to cases of

delays in the case of damages or failure to comply with disclosure obligations in 2013-2015. This is another penalty for PZU due to delays in claim settlement.

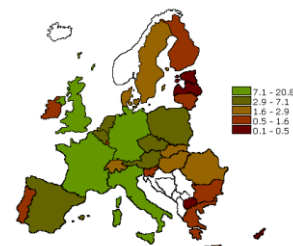
- NBP with a break in gold purchases. The National Bank of Poland has not increased gold reserves in November. In the period from June to October, Poland's gold reserves were increased by a total of 25.7 tonnes of gold to 128.64 tonnes of gold.

## Economic Maps

Liczba dzieciprzedszkolnych wśród 1000 dzieci 3-5 roku życia w 2017 r.



Udział w handlu wewnętrznym UE28 (%) w 2017



## Financial Markets

- Ursus cooperates with a Turkish company. Cooperation agreement with company Tumosan Motor ve Traktor Sanayi plans to extend its offer with tractors manufactured by Ursus. Ursus will also supply parts and components. The agreement has been signed for 5 years with the possibility of extension for another 5 years. The average annual value of the agreement is EUR 9 million.

- PKP Cargo will take over 80% of shares in a Slovenian company. Advanced World Transport, a member of the PKP Cargo Group, purchase 80% of shares in slovenian company Primol Rail. This is an element of the strategy of increasing activity on the north-south axis, and in the long term increasing the importance of international transport in PKP Cargo.

- New with new orders from Italy. Ferrovie del Sud has extended its 2015 contract with the purchase of another 6

Electric Multiple Units (EMU). The value of the contract is PLN 109 million, and the trains are to be built within 18 months from the conclusion of the contract.

- PGNiG's offer is the most advantageous in the tender in the UAE. PGNiG was granted permit for a 2-year exploration period, a 2-year exploration period and a 30-year production period for hydrocarbons in the Emirates of Ras al Khaimah.

- JSW signed a contract with PBSz for underground works. Przedsiębiorstwo Budowy Szybów signed a contract with JSW to perform underground works in the Borynia Zofilówka Jastrzębie-Ruch Zofilówka mine. PBSz is to make two cuttings and a research pavement within 42 months. The contract value is PLN 49.5 million.

- The EUR / PLN exchange rate may be applied to 4.26. Friday's data from the US labor market is ready to increase the price of USD / USD, which news falls on the domestic currency. The zloty in the succeeding will seem to strengthen. December is a statistically favorable month for the zloty. In

the last 19th century, the EUR / PLN exchange rate increased in recent examples only 5 times. In the case of support testing at the level of 4.26 / EUR. An important question is whether Brexit will be sorted out

- Gold the highest since July. Dollar ignorance of the achievements of the highest ceilings regarding almost websites. It became after publication of disappointing data from the US labor market. The prospect of a less restrictive monetary policy in America in the narrow perspective of the dollar raised gold prices to the highest level since July. At 16.29, forward contracts for yellow metal were traded at USD 1221.20 per ounce, or 0.65% higher than the day before.

- Fuel price reductions reached the stations. I am marking the state as of today. We went down quite a bit, so you can not get oil. At the beginning we stop short. Beginning of December with the word of this tendency. In the past week, the average retail price of unleaded gasoline has decreased by PLN 0.08 per liter, to PLN 4.89 / l

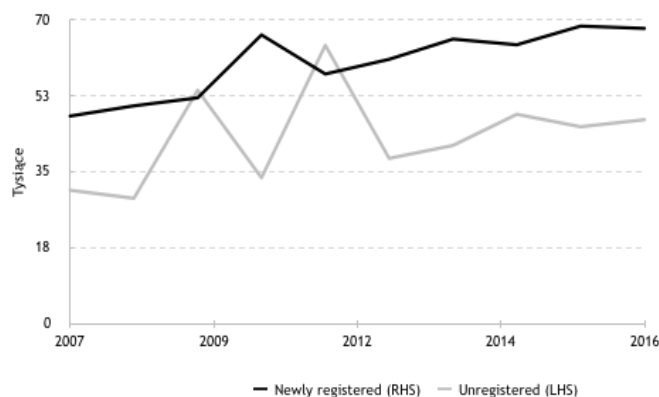
### Company of the week

**KGHM** is one of the leading producers of copper and refined silver. The company operates the largest copper ore deposit in Europe. The company also operates in Chile, USA and Canada. KGHM is the second producer of silver in the world and the sixth of electrolytic copper. KGHM employs near 34.000 people and is

one of the main polish exporters. Sales revenues 3q 2018 5.364 billion, EBIT 525 million, net profit 3q 2018 365 million. Price / book value ratios 3q 2018 (P / BV): 0.96, price / sales revenues 3q 2018 (P / S): 0.86, price / operating profit 3q 2018 (P / E): 10.55, return on assets ROA 2.45%, return on equity ROE 4.78%.

### Newly registered and unregistered enterprises in the REGON register in the Mazowieckie Voivodship in the years 2007-2016.

In the REGON register, 67895 new entities of the national economy were registered, of which 67.5% are people conducting business activity, and the share of companies amounted to 28.6%. Most newly registered entities were established in Warsaw (37762) and in the poviats: piaseczyński (2830), wołomińskie (2481) and pruszkowski (1997). In 2016, 46885 entities were removed from the REGON register, including mainly natural persons conducting economic activity - 91.6%. The least recorded de-registration was recorded in the following poviats: Białobrzegi (151), Łowicz (158) and Lipski (159) and Zwoleni (164). However, the most in the capital city of Warsaw (20753), Wołomin (2130), Radom (1980) and Piaseczno (1973).



Source: own study based on the Local Data Bank

### Statistical data

Macroeconomic indicators	Date
GDP y/y	5,1% 07.2018
CPI	1,74% 09.2018
Unemployment rate	5,8% 08.2018
Salary av. enterprises	4 848 zł 06.2018
Industrial production	2,80% 09.2018
NBP reference rate	1,5% 12.2018

Rates (%)	1W Δ bps
WIBOR 3M	1,72 0,00
EURIBOR 3M	-0,315 0,00
LIBOR CHF 3M	-0,7404 -0,08
EUR/PLN	4,29 0,26
USD/PLN	3,79 -0,03
CHF/PLN	3,80 0,26
EUR/USD	1,13 0,29

Markets (points)	1W Δ %
WIG	58 180 -0,39
WIG 20	2 291,54 -0,56
DAX	10 708 -0,21
FTSE	6 778,11 1,10
DJI	24 435 -2,05
SP500	2 632,29 -
	2,36